

**North Carolina 911 Board
MINUTES
June 20, 2008**

<u>Members Present</u>	<u>Staff Present</u>	<u>Guest</u>
Jason Barbour (NCNENA)	Ron Adams (ITS)	Christine Baucom (Wake Co Sheriff Office)
Robert Cherry (Police Chief)	Richard Bradford (DOJ)	Jim Blackburn (NCACC)
Alan Cloninger (Sheriff) by phone	Marsha Tapler (ITS)	Jerry Boggs (NCNENA/Catawba Co E911)
Bill Craigle (CMRS)	Richard Taylor (ITS)	Lee Canipe (Embarq)
Christi Derreberry (CMRS)		Valerie Carter (ITS)
David Dodd (NCAPCO)		Jim Clark (Synergem)
Joe Durham (NCACC)		Delbert Edwards (NCAPCO)
Margie Fry (VoIP) pending		David Gold (Intrado)
Jerry Jones (LEC)		Tim Gundlach (L. R. Kimball & Associates)
Wesley Reid (NCNENA)		Shawana Hudson (Thomas & Gibbs, CPAs)
Slayton Stewart (CMRS)		Andy Lucas (Anson County)
Laura Sykora (LEC)		James McLeod (Embarq)
Bill Willis (Deputy NC CIO)		Tonya Pearce (NCNENA)
		Brett Renfrow (Johnston Co 911)
		Glenn Roach (Intrado)
		C.A. Patrick Voigt (Burke County)
		Bruce Williams (Wireless Comm)
		Donna Wright (NCNENA/Richmond Co 911)
<u>Members Absent</u>	<u>Staff Absent</u>	
Wayne Bowers (NCLM)		
Frank Cairn (CMRS)		
Dave Corn (LEC)		
Jean Thaxton (LEC)		

Chair's Welcoming Remarks:

Chairman Willis called the meeting to order at 10:00 AM. He introduced and welcomed Margie Fry from Time Warner Cable as the new Board member representing VoIP, noting that since her ethics statement paperwork has not yet finished processing, she will not be able to vote at this meeting.

Ethics Awareness/Conflict of Interest Statement

Referring to the conflict of interest statement printed on the agenda, Chairman Willis reminded Board members of their ethical obligations and asked if any wished to note any potential conflicts of interest in matters coming before the Board today. Jason Barbour noted that he would not vote regarding agenda item #7, as he would be presenting that item on behalf of his PSAP. Chairman Willis advised other Board members that Mr. Barbour could answer questions and participate in discussions about the presentation, simply not in his capacity as a Board member.

Approval of Minutes

Chairman Willis asked if any member of the Board wished to offer any corrections or modifications to the minutes of the May 9, 2008 NC 911 Board meeting. Hearing none, Joe Durham made a motion to accept the minutes as presented, Christi Derreberry seconded, and the motion carried unanimously.

Update on PSAP Fund Distribution – Update On Revenues Received to Date

Richard Taylor reported that staff continues to work toward reconciling differences between wireline and wireless revenues as reported by the Treasurer's Office and distributions as reported by the Wireless 911 Board and the telcos. Mr. Taylor speculated that "probably 90%" of anticipated revenue reports of distributions from wireline companies have been received to date, adding that the information provided by one major company was not in a format we could use, but that company was in the process of reformatting it so that we could.

Stating that checks for May disbursements would be going out next week, Mr. Taylor drew attention to the fact that only \$3.9M was collected in May instead of the ~\$5.5M projected as an average monthly collection necessary for meeting statutory disbursement requirements. He projects a shortfall in meeting that obligation for FY 2007-2008 of ~\$9.1M after June receipts. Mr. Taylor also reported difficulties with some third party "taxing companies" who perform collection and remittance for some wireline and wireless carriers. He cited as an example remittances made on behalf of Cricket Communications improperly coded as wireline remittances rather than the wireless remittances they were in actuality. Marsha Tapler reported that she questioned the wireline coding before posting it, and was assured by a representative from the tax collection company that it was correct. When she asked where the wireless postings were, she was told that someone would get back to her regarding that. She then contacted Cricket directly, and discovered that information was incorrect. Despite repeated subsequent contact with both Cricket and the tax collection company in an effort to resolve the problem, Ms. Tapler reported a resolution has not yet been achieved. Chairman Willis asked her if Cricket understands it is their issue, not our issue, with the tax collection agency, and she assured him they do. Mr. Taylor added that he learned in meetings with his counterparts from other States in Tampa last week that many of them are experiencing exactly the same problems with the same tax collection company.

Wesley Reid asked Mr. Taylor if he expected to collect sufficient funds to be able to meet the PSAP distribution requirement for FY 2007-2008 by June 30. Mr. Taylor said that he expects we will be ~\$6M short, adding that the technical corrections bill we have

been working on should allow us to make up the difference. Mr. Reid also asked about the status of the prepaid issue and attendant lost revenue. Asking Mr. Reid to hold that question, Mr. Taylor replied that he would be speaking to that issue in the legislative update later in the agenda.

Laura Sykora asked Mr. Taylor if he felt that once collections issues are resolved revenues will be sufficient going forward. Mr. Taylor replied that when last year's legislation was being worked on, calculations regarding average cost per subscriber indicated that it was approximately \$0.67, so the \$0.70 already being collected on wireless connections was considered a good number. He added that the current decline in wireline subscribers, however, even when coupled with an equivalent increase in wireless subscribers, represents a net decline in PSAP fund revenue. He explained that the \$0.70 collected from a wireline subscriber goes directly into the PSAP fund after the telephone company retains its 1% administrative cost. When that amount is collected from a CMRS subscriber, however, the remainder after the 1% retained by the provider is split between the PSAP fund and the CMRS cost recovery fund, and only 47% goes into the PSAP fund. So each time a wireline subscriber migrates to wireless-only, while the subscriber base may remain static, the net revenue to the PSAP fund is less. Mr. Taylor added that this is one reason why we need to come up with a better funding model to offer the legislature when he makes his report to them next year.

Slayton Stewart asked how the technical corrections bill will allow us to bridge that gap, and Chairman Willis responded that assuming we can collect what's due, he doesn't believe we have a \$6M funding gap; that it is smaller than that. He said he believes, instead, that we have a \$6M cash flow problem at the end of June. He reminded everyone that we re-started the fund, for all intents and purposes, on January 1; we started from zero, and there is a lag in collections. He said he doesn't think the total problem is as big as \$6M, that this is just a crude cash flow problem of that amount at the end of June. Chairman Willis said that passage of the technical corrections bill will allow us to transfer funds from the CMRS side to the PSAP side of the fund to make up the difference, if necessary, in the flow. He noted that past and current year utilization of the CMRS fund indicates that fund has been gaining balance steadily and has a large enough balance to allow that. He continued that later in the year we may be able to determine if we are short on a long term basis, and if that is the case, we would have to make a recommendation for legislation to help us correct that problem.

Mr. Stewart asked what the existing CMRS fund balance is, and Richard Taylor replied it is currently somewhere between \$22M-\$23M. Chairman Willis observed that fund has historically disbursed ~\$16M-\$17M/year, with the exception of one burst year where \$25M was used. He said that he believes any adjustment allowed by the technical corrections bill will not compromise the CMRS fund.

Presentation of 2006-2007 Wireless 911 Board Annual Audit

Shawana Hudson, of Thomas & Gibbs, CPAs, reviewed the audit performed by that company on the Wireless 911 Fund for FY 2006-2007. She observed that they performed the audit under contract with the Office of the (State) Auditor, noting that once they complete their audit it is submitted to that office for review. She added that Thomas & Gibbs is an independent auditing firm, and conducts its audits in accordance

with generally accepted auditing standards, and that the fund received an unqualified, or clean opinion for the year ended June 30, 2007. The date of the report was March 13, and they also issued a report on their considerations of the fund's internal controls and compliance with provisions of laws, regulations, contracts, and grant agreements. Ms. Hudson noted there were no findings in that report.

Ms. Hudson said the management, discussion, and analysis portion of the report provides a high level view of operations and final results along with information that management feels is relevant to the readers, including future outlooks and changes in regulations, etc. She observed they don't render an opinion on the management discussion and analysis, but noted that it is part of the financial statement.

Citing numbers found on the balance sheet, Ms. Hudson noted that both assets and liabilities were down primarily due to reduction in the fund's investment allocation in the State Treasurer's lending collateral agreement. She added that the notes to the financial statements also provide additional information about different items presented on the balance sheet and the statement of expenditures and changes in fund balance. She said that many of the notes are consistent with what the Board has seen in prior years, and that the only item she would draw attention to would be the one time pay out to a vendor for about \$421K.

Ms. Hudson pointed out that there are some changes that have taken place in the audit profession that will have an impact on next year's audit, which Thomas & Gibbs has also been contracted to perform. She said that they will have to take a more risk based approach, meaning they will have to obtain an in-depth understanding of the Board, the internal controls, the external and internal risk factors, and considerations of fraud. She added that all of the recent changes that have taken place with the new legislation and creation of the new Board will certainly be challenging, and will be something they look forward to taking on with next year's management.

Joe Durham asked Ms. Hudson if she would highlight the areas of concern listed beneath the Future Highlights heading on page 5 of the report. Ms. Hudson said the Future Highlights speak to changes in regulations that may impact the fund going forward, primarily changes in the legislation that would impact fees, as had been discussed earlier with the changes in the wireline and wireless collections. She said one area of concern regards the continuing loss of subscriber fees from prepaid. She said another is continued growth of the CMRS provider side of the fund, and the apparent need for the Board to be able to adjust allocations to compensate.

Mr. Durham thanked Ms. Hudson, and asked if these items are being pursued in our legislative agenda, if there is such a thing; if we are following up on the legislation that was adopted to clean up things the Board has discussed previously. Chairman Willis said there are some of these things in the technical corrections bill this year. He said that the issue of prepaid and how we collect from it needs to be resolved, because increasing use of prepaid means increasing loss of postpaid. He added that although it's not mentioned in the report, the loss of wireline revenue is also going to impact the fund. He said another problem is the apparent underfunding of the PSAP side of the fund and overfunding of the CMRS side, illustrating that the Board needs to be able to either adjust the distribution percentages or have the option to transfer funds from the CMRS

side to meet PSAP side obligations. Chairman Willis said that the next agenda item would include discussion of the moratorium on prepaid collections, and ventured that it might further address some of Mr. Durham's concerns. Chairman Willis asked Mr. Durham if he would agree to return to the subject after that item if it didn't answer his questions, and Mr. Durham readily did so.

Ms. Hudson thanked the Board for providing the opportunity to present the results of the June 20, 2007 audit, adding that they certainly look forward to working with management on next year's audit engagement and making future presentations to the Board.

Joe Durham observed that it is now June, 2008, nearly a year since this June 30, 2007 "snapshot", and asked if there is any intent to get it sooner next year. Chairman Willis replied that, to his understanding, this is audit information; it is a verification of our operating and accounting procedures and a verification of the funds through the date stipulated. He said he wouldn't want to use this as the set of numbers that we would use to operate from; that we have working balances and numbers that are current that we can use to make decisions on disbursements and things like that. Mr. Durham said he appreciated the response, but that was not his point; his point was that the numbers we are using are unaudited. This is the actual annual audit, obviously used as a management tool, among other things, and as such, it would make sense to get it sooner versus a year later.

Chairman Willis asked ITS Accountant Valerie Carter what the schedule of the annual audit is for ITS; when do we close books? She said the books close on June 29, and financial statements are submitted to the Office of the State Controller on August 30. Then the CPA firm comes in and audits those financial statements. She observed that in this case we rely on the State Auditor to act as the liaison, and everything goes through the State Auditor as far as scheduling is concerned. Mr. Durham asked if we should call Mr. Merritt and ask him about the scheduling, and Chairman Willis replied that if it is the desire of the Board to get an audit earlier, we can certainly make that desire known to the State Auditor.

Speaking to Mr. Durham's point, Laura Sykora observed that since we are in such a transition period with so many changes going on this fiscal year, i.e. the one that will be audited, she agrees that we may benefit from getting the results a little sooner. Chairman Willis asked if that was the will of the Board, and hearing general assent around the table, instructed Richard Taylor to draft a memo for his (Chairman Willis') signature representing the Board to the State Auditor asking if it would be possible to move up the timing of this audit to give us information a few months earlier next year.

Update On Legislative Corrections

Richard Taylor reported that the technical corrections we had requested have been included in the large technical corrections bill (revenue laws corrections bill) that he spoke about at the last meeting. The Senate version of the bill, S1704 has passed the Senate and is over on the House side, where it has been assigned to the Finance Committee. Mr. Taylor said that once it comes out of the Finance Committee chances are it will go to the floor. He said there are a couple of changes being considered,

including extending the moratorium on collection of 911 fees from prepaid providers an additional year. Mr. Taylor observed that the study committee that was supposed to have considered and made recommendations regarding prepaid collections has never met, so the industry is asking for this extension. He said that he has some personal concerns about extending the moratorium during a period when we are experiencing cash flow problems within the fund, but acknowledged that there are arguments supporting both sides of the issue. He added that he will be attending a meeting about that issue on Monday, and expects to learn more about it at that time.

Laura Sykora asked if this would be an amendment to the technical corrections bill or if it would stand alone. Mr. Taylor replied that the email sent to him requesting the meeting indicated they wanted to do it through technical corrections. Whether they meant this technical corrections bill or the one that's done at the end of the session is not clear to him. He said he hoped it would be the latter, so this one could go ahead and move on through. Ms. Sykora asked what the ramification will be if this doesn't pass by June 30, and Jason Barbour asked if it didn't pass before July, would we be able to cut checks to make the PSAPs' FY 2008 disbursements equal the FY 2007 benchmark amounts. Mr. Taylor pointed out that we would not be disbursing June collections until July, anyway, so the final revenues for FY 2008 would not be paid until July under the normal scheme of things. Ms. Sykora then said that the time frame to make sure the PSAPs are made whole is actually July 31 rather than June 30, and Mr. Taylor concurred.

Jerry Jones asked for an explanation of the moratorium, and Chairman Willis replied it is simply that CMRS providers of prepaid service do not have to pay 911 fees. Mr. Jones asked when that went into effect, and Mr. Taylor replied August 1, 2007, with an original expiration date of December 31, 2008. He added that since no study committee came up with a new model for collecting prepaid 911 fees, prepaid providers are asking for an additional year. Mr. Jones asked if we are not partially at fault for not pushing for the study committee, or if that was not our responsibility. Wesley Reid asked if they get this additional year, what's to stop them from doing the same thing next year? He asked if the Board has any control or power to push that, as Mr. Jones suggested.

Mr. Taylor replied he was not sure it was our responsibility. He said he thought the group pushing for the moratorium was working through this, so he is not sure why nothing happened. He observed that as far as we are concerned, we think there are good laws on the books already for collecting prepaid, but obviously there are several companies that disagree that are looking for the study to be done. Mr. Taylor said this group had asked him in a roundabout way if he thought the Board would support a year's extension to the moratorium, and his response had been that he could not find it in his heart to even bring it before the Board while it is wrestling with taking money from one fund to meet obligations in another. He told them he couldn't see even asking this Board to support holding off additional revenues.

Joe Durham opined that this Board should make a concerted effort to press for the study committee to determine a resolution to this issue. Chairman Willis replied that it surely is not this Board's responsibility to see that a legislative committee meets, and Mr. Durham asked if we could not advocate for that committee to meet because of the impact it is having on this Board. Chairman Willis said that it is probably appropriate for

the Board to take a position or make a recommendation, and speculated that when Richard Taylor attends the meeting next week to discuss the extension of the moratorium he could represent a Board position if the Board wishes to take one.

Jason Barbour said he thinks we should not endorse extending the moratorium and that the prepaid providers should begin paying their fair share. Alan Cloninger said he was ready to make a motion that the Board should take a stand opposing the extension. Laura Sykora seconded the motion. Joe Durham said he was hopeful that the Sheriff would entertain a friendly amendment to the motion in going further by stating that we believe there is sufficient legislative authority in place now to collect the funds, and that we ask the study commission to meet on a timely basis to resolve the issue.

Richard Taylor interjected that, just so everybody understands, the study commission will not meet during the session, so it will be after this short session ends and the long session begins next January before this group would meet and make their recommendation. Chairman Willis asked if he could suggest we simply take a position opposing the extension, since if the extension is not granted, there would be no reason for the study commission to meet. Sheriff Cloninger amended his motion in accordance with Chairman Willis's suggestion that we resolve to oppose any extension to the moratorium and state that we believe that there is appropriate authority to make the collections already within the law, but not to take any position regarding the study committee. Laura Sykora extended her second to the amended motion.

Bill Craigle volunteered that the reason the extension is being sought is that a Federal "fix" is being worked on with retailers. He said that Richard Taylor is going to be asked by industry representatives at the meeting on Monday to agree to an extension until September 2009 rather than an entire year, because the expectation is that the Federal resolution will be in place by that time, precluding the need for a State study committee to make a recommendation.

Chairman Willis called the motion, which carried with Bill Craigle casting the only vote in opposition. After the vote Slayton Stewart observed that Cricket Communications is a prepaid company, yet earlier in the meeting it was reported that Cricket is paying 911 fees. He asked if there is a legal basis through which we are collecting from them. Chairman Willis and Richard Taylor speculated that they were simply being "good 911 citizens". Mr. Stewart asked if the Board would have any obligation to return those funds, and Chairman Willis opined that we might if they asked for a refund. Marsha Tapler advised that the remittance forms Cricket submits do not indicate that they are prepaid, only that they are wireless. Mr. Stewart speculated that they might be completing the forms incorrectly. Richard Taylor added it may be an issue with the tax collection company Cricket uses.

Richard Taylor also reported that one additional bill impacting 911 has been introduced in the Legislature: H2658. It seeks to allow up to 50% of a PSAP's annual 911 revenue to be used to pay for 2-way radios. The bill has not moved since its introduction on May 28, and there has been discussion about how this type of bill has been introduced many times in the past but has never passed. The bill's sponsor has requested a meeting with Richard Taylor to discuss it, and Mr. Taylor has indicated that the fund is far too fragile to consider expanding the use of the fund for anything. He believes the bill's sponsor is

okay with that, and will be amenable to the Board's recommendation. Christi Derreberry asked who sponsored the bill, and Mr. Taylor replied it was Representative Pate from Wayne County.

Presentation and Request for Approval of Back-Up PSAP

Richard Taylor reminded all that several years ago the Wireless 911 Board adopted a policy to fund eligible 911 expenses for back-up PSAPs, noting that to date no PSAP has requested funding in accordance with that policy. He said that today we will hear two requests for funding, each distinctly different than the other, but each in accordance with that policy.

Jason Barbour began his presentation with an assertion that no true back-up presently exists for the Johnston County 911 PSAP. He said they are in the process of constructing such a facility outside of the Smithfield telephone exchange (where the current PSAP is located) about twelve miles away in Clayton. He said they made that choice so that if something were to happen to the telephone company central office (CO) serving the Primary PSAP in Smithfield, the back-up PSAP served by the Clayton CO wouldn't necessarily go dark. The location is a (radio) tower site behind one of the county fire stations, where a 24x46 foot commercial building will be dropped to house the new facility. Mr. Barbour said that construction costs would be paid from general funds, not 911 revenue, in accordance with the law. He said this request is to finance 911 equipment equivalent to what is currently in the Primary PSAP.

Mr. Barbour advised they will be utilizing an IP phone system so that the primary and back-up phone systems can be interconnected. Utilizing this system, the back-up center could operate as an overflow or extension of the main center. He said 911 trunks will be redundant, serving both locations, pointing out that with such a system, the trunks at one center could go down, but calls could still be taken at that center via the redundant trunks at the other center through the interconnected IP phone system.

Chairman Willis pointed out that Mr. Barbour is not asking for additional funding, but simply for permission to use existing fund balances and distributions toward this end. Mr. Barbour emphatically concurred, saying that he definitely did want that to be clear. He said they would rather spend the money for eligible uses than let it languish in the bank.

Slayton Stewart asked why it wouldn't be better to approach an existing PSAP to serve as a back-up than to construct a dedicated back-up, saying that this seemed to him more like a disaster recovery plan. Mr. Barbour said they considered that option, but felt that due to Johnston County's ever increasing size, they could not simply dump their calls on Raleigh-Wake, the only nearby center with sufficient size to accommodate Johnston County's call volume, as Raleigh-Wake is already plenty busy handling its own calls. He added that radio coverage would be problematic with an outside PSAP. He also said that at the end of the day they believe the new site will be used more as an overflow center in times of high volume than as a back-up center after a total Primary PSAP failure. Wesley Reid added that is the same philosophy embraced by many other centers, citing as an example that High Point, Guilford County, and Greensboro used to

default to one another, but at this point they literally cannot handle one another's additional traffic.

Robert Cherry asked what Johnston County's current back-up plan is, and Mr. Barbour replied that they have a Nortel phone system located in a building at their landfill that can be activated with a "night-time switch", but it is only capable of receiving voice traffic, not ANI/ALI. That building also only houses five answering positions, where the current center is up to eight and growing.

Joe Durham observed this seems to be a reasonable request according to policy, and asked Richard Taylor if staff has a recommendation regarding it. Mr. Taylor said the staff recommendation would be to accept this plan. Slayton Stewart acknowledged that it seems to be a reasonable request, but expressed concern that promoting individual back-up PSAPs to serve all the current PSAPs seems inefficient. Chairman Willis said that while Mr. Stewart's question is legitimate, it speaks to the greater issue of how we determine the optimal number of PSAPs and at what level of granularity, which is a question that will ultimately be addressed by this Board. But he added that Johnston County has determined this need and the Board has an established policy which they have followed, so we shouldn't deny them this reasonable request. Mr. Durham said he agreed, and while acknowledging that the current number of PSAPs is greater than he personally believes would provide optimum efficiency, said he wanted to make a motion to approve this request as presented. David Dodd seconded the motion. Laura Sykora requested confirmation that this does not represent an expansion of use of the fund, and Chairman Willis assured her that it did not; it simply authorized use of funds on expenses that are already eligible. Chairman Willis called the motion, which carried unanimously with Mr. Barbour abstaining. Chairman Willis then called for a ten minute break, which began at 11:18 AM.

Presentation and Request for Approval of Back-Up PSAP (2)

Chairman Willis reconvened the meeting at 11:28 AM, and invited Patrick Voigt from Burke County to make his presentation. Mr. Voigt introduced himself as the Technology Coordinator for Burke Co, noting that although he actually works for Burke Co MIS, that department handles the technology needs of all the PSAPs in the county. He said that although Burke Co does have multiple PSAPs, it does not have any single concentration of equipment that could adequately serve the purpose of a back-up PSAP.

Mr. Voigt noted that the concept he will be presenting is the result of collaboration between Burke Co MIS, its primary PSAP technology vendor Wireless Communications, public safety solutions vendor Plant/CML, and SDN Global, a satellite communications provider. He said that Burke Co Emergency Operations Center houses one ECS 1000 E911 switch and five telecommunicator workstations; that Morganton Public Safety operates three positions off of that same switch; that Burke Co Sheriff's Office also operates three positions off of that same switch; and that Valdese Public Safety has a RescueStar E911 switch serving three workstations. He noted that with only two E911 switches serving four PSAPs, Valdese has always been considered the back up in case the ECS 1000 should fail. The problem is that eleven positions are served by the ECS 1000, and only three by the RescueStar, so that is a less-than-optimal solution. In

response to that, Mr. Voigt listed several objectives that they hoped to achieve to provide a better solution:

- Establish a backup independent of any infrastructure within Burke County
- Provide maximum flexibility
- Provide full E-911 capabilities including:
 - ANI
 - ALI
 - Wireless Phase II
- Ability to provide additional call handling ability even when all PSAPs are available
- Ability to process calls outside of disaster-impacted area (e.g. outside of the county)

The solution they arrived at was to equip their mobile command unit, already purchased with homeland security money, with a Patriot IP-based ANI/ALI E9-1-1 system, three Sentinel workstations, three 911 trunks, and a satellite system and service to deliver calls and data over those trunks. That trunk group would be pre-defined as the default alternate call route, and would always be monitored at Valdese, even when the command unit is not deployed, to ensure that any calls accidentally routed to that group would not go unanswered. An added benefit is that calls to/from any PSAP served by the same 911 tandem (AT&T's University tandem with Intrado ALI data base provisioning) serving this trunk group could be routed to it, so the command unit could serve as a back-up to PSAPs other than those in Burke Co. Mr. Voigt said that the Patriot servers, 911 trunks, ALI links, and associated equipment would be located at the secure, hardened SDN facility in Charlotte. The command unit, wherever it was located, would connect via satellite link to that facility. Mr. Voigt then opened the floor to questions.

Joe Durham said he believes this represents an innovative approach to providing communications center back-up, and complimented Mr. Voigt on his thorough presentation, but asked if he knows whether this will work in a real world situation. Mr. Voigt replied that yes, the system has been tested in a test-bed scenario that Richard Taylor witnessed in person. Slayton Stewart speculated that if an event impacted both Charlotte and Burke Co, the possibility would exist that if the Charlotte equipment went down, Burke Co would be left without back-up. Mr. Voigt acknowledged that could be possible, but that with the 70-100 mile geographic separation between the two, he felt it would be highly unlikely. Jason Barbour asked what quality of service guarantee SDN could provide from its satellite, and Mr. Voigt replied that SDN does own its own satellite, and that Burke Co has reserved time and capacity; it is a carrier-grade satellite, not a residential consumer service provider, so he is confident that capacity will be sufficient.

In response to a question from Laura Sykora about the ability for the command unit to serve as a back-up for other counties, Richard Taylor related that when he attended the demonstration in Morganton, after witnessing how the solution served Burke Co, they disconnected from Burke Co and switched over to taking calls from Catawba Co from the same location. Chairman Willis observed that the IP satellite connectivity could open doors to many new opportunities, hypothesizing that with one switch located at two data centers at opposite ends of the State, connectivity could ostensibly be provided not only

to all the PSAPs in the State, but also schools, local government facilities, etc. David Dodd observed that we have seen two completely different approaches to solving the same problem today, and that he is totally in support of both concepts because they will provide feedback in the future as to what works and what doesn't. He said he would like to make a motion to support Mr. Voigt's request, provided the fact that his county is adjacent to Burke Co, and could directly benefit from implementing Burke Co's solution, didn't represent any kind of conflict of interest. Both Chairman Willis and Richard Bradford said it did not. Wesley Reid seconded the motion, and Chairman Willis reminded everyone that accepting this proposal does not involve providing extra funding to Burke Co; it simply allows them to use their existing funding for this eligible expense.

Referring to scalability, Slayton Stewart asked what would be involved in expanding the number of workstations associated with the command unit from three to six or more. Mr. Voigt deferred to guest Bruce Williams, representing Wireless Communications, who said that if licensing were in place and equipment was available, it could be accomplished in as little as a hour. Chairman Willis called the motion, which carried unanimously, and Jerry Jones asked if we could receive an update in a year or so. Mr. Voigt replied he would be happy to do that.

Before moving on to the next agenda item, Wesley Reid asked if the Board wished to retain the Wireless Board policy of reviewing every plan submitted requesting use of funds for back-up PSAPs. He intimated that might be more of a burden than intended, suggesting that staff could review the plans and only bring them before the full Board for review if there were some question about the proposal not meeting statutorily approved uses of the fund. Richard Taylor replied that staff wanted to bring these two before the Board not only because they were the first two, but also because they represented such different approaches to solving a common problem. He said staff not only wanted to educate the Board about these solutions, but also to hear the Board's reaction to each. Having done that, he said he would like to approach future submissions the same way cost recovery plans for CMRS providers are reviewed: staff would review the plan, and if it met the requirements, recommend for approval.

Chairman Willis speculated that there are several procedural approaches to this which would not require changes in policy. He suggested that in the interest of time, since we do have a full agenda for the rest of the day, Board members consider this, and staff will recommend a practice methodology. He added that he personally believes the Board should approve back-up expenditures, for educational purposes if nothing else. He said it could be as simple as staff presenting a block of requests for approval, citing how each is achieving that goal, and the Board could approve them all at once.

FCC Filing of Comments Draft of NSI Phone

Richard Bradford reviewed the FCC proceeding regarding non-service initialized phone access to 911. He said approximately twenty-five NC PSAPs participated in gathering statistical information using the survey form approved at the last meeting, and Ron Adams had collated the returns into a spread sheet. Mr. Bradford said we have a smattering of information across a varying number of days, which is not really statistically pure. He said we can note from the data collected, however, a range in true emergency calls from about 2.5% to almost 16%, and for non-emergency calls ranging

from about 75.5% to about 96.5%. Mr. Bradford said he will write a comment on behalf of the Board, if the Board wishes. He added it will probably be between three and five pages long, and the points he will stress will be that this was done quickly, was not a scientific study, and had to be done manually because this type of information cannot be collected automatically, but it appears that there is a significant impact. He said that if we extrapolate these numbers, which may be statistically unfair, we see over 51K NSI calls every month across the State. Of those, 42K would be non-emergency calls, so while that may be an unfair extrapolation from the statistics that we have, he thinks he can craft some language around that which still supports the fact that the FCC should do something. He added that he would be more than happy to share the spread sheet with Board members if they wish to see it.

Joe Durham said he would move for approval, but Chairman Willis asked him to wait just a moment. Chairman Willis said he wasn't sure there was anything to approve, and asked Mr. Durham if he would make his motion to support asking Richard Bradford to draft a comment from the Board to the FCC, to which Mr. Durham readily agreed. Chairman Willis asked if the motion is to have Mr. Bradford draft and send the comment, or draft it and bring it back to the Board for approval. Mr. Durham said he would support the former, with the Board willing to stand behind that comment. Mr. Bradford observed the comments are due June 30, but that reply comments aren't due until after the Board's next meeting, so if the Board wishes to have him respond to any comments at that time, he'll be happy to police the filings. He said that so far thirty-four comments have been filed, with only one from North Carolina, from Wake County. He said none of them include any real, meaningful statistics, which is what the FCC asked for from the PSAPs.

Slayton Stewart asked if the data distinguished between calls placed on analog or TDMA phones and those placed on digital phones. Richard Taylor observed that really doesn't matter, and Mr. Stewart said that he feels it does in that those technologies are going away, so people with those types of phones aren't going to continue to be able to place NSI phone calls to 911. Richard Bradford observed that while that's true, the purpose of this notice of inquiry is really to gather as much historical information as they can from the PSAPs, and also from the providers, to request technical proposals on how to resolve this problem. He speculated that the point Mr. Stewart raised will be addressed by the FCC and by the providers.

Chairman Willis requested a second to the motion, which Wesley Reid provided. Chairman Willis then called the motion, which carried unanimously.

Request from Anson County for Use of 911 Funds for Street Sign Maintenance

Chairman Willis recognized Anson County Manager Andy Lucas to make his presentation. Mr. Lucas thanked the Chairman and Board members for this opportunity to address them, and said that the first point he wanted to make was that Anson County does not object to the decision that was made by the Board regarding discontinuation of use of 911 funds to pay for street sign related expenses. He said their concern is mainly about timing, as they put together their recommended budget in mid-May before receiving the memo about no longer being able to use 911 funds for this purpose. He said that leaves them needing to fill a gap in their general fund of about \$30K, which in

the whole scheme of things today might not seem like a lot of money, but noting that in Anson County it is. He said the choice they face is either to cut services or raise taxes. He added that they are not asking for additional funding, but simply for permission to use existing funds for this purpose as they transition to finding other funding for next fiscal year.

Mr. Durham asked Mr. Lucas if his request was for a one-time exception for the use of \$32K toward this purpose, and Mr. Lucas said that was correct. Wesley Reid then asked him if he was saying that next year they will incorporate that expense into their general fund budget, and Mr. Lucas agreed that was the case. Mr. Durham said this is a hardship, a one-time exception to the rules the Board established, and moved that the request be approved. Wesley Reid seconded.

Chairman Willis said he wished to note that Anson County is just "filling a gap", and that gap isn't what they spent last year, to his understanding. He added that he would like to get the wording of the motion specifically recorded, and asked Mr. Durham if it was that we accept Anson County's use of \$32K for the fiscal year 2008-2009 for street signs. Mr. Durham concurred.

Laura Sykora said she recognizes the situation, but asked if we are going to see a lot of other counties coming into the next meeting asking for the same consideration. Chairman Willis observed that we have established some eligibility rules that we believe are consistent with the law; those rules, and the expenditures eligible under them, can be used to guide what recommendations we may make to the legislature later or rules that we may set up on disbursement of funds over and above the base. He noted, however, that as with the requests for funding of back-up PSAPs, this pertains only to Anson County's use of existing fund disbursements, not additional disbursements. It is simply giving them permission to use those funds for this purpose, not provide additional funds for it.

Responding to Ms. Sykora's question about what the impact of this decision will be, Jason Barbour said that based upon the number of phone calls he has already received regarding this topic, we will get bombarded. He added Johnston County will be submitting the same request. Ms. Sykora suggested we change the effective date for implementation to next fiscal year, not this fiscal year. Chairman Willis cautioned that we not get ahead of ourselves; that there is a motion on the floor which has been seconded, and that what Ms. Sykora is proposing appears to be an alternative motion. He said that he is sympathetic to the adverse impact of changing the rules one month before the beginning of a new fiscal year, adding that if we want to adopt Ms. Sykora's suggestion, there are a number of things we need to talk about in constraining that use. He said that if so, we need to either have the current motion withdrawn and move to a different discussion or vote on the motion and move to a different discussion.

Mr. Durham responded that he thinks it is important that we deal with this request, regardless of the additional questions it may have raised. He said that while he thinks it is appropriate to have that discussion and establish parameters for these requests, should they appear, he thinks it is important that we go ahead and take care of this request. Jerry Jones asked Mr. Lucas if he couldn't reallocate other funds in his budget to accomplish this by using the 911 funds for clearly eligible uses. Mr. Lucas replied that

they have already maximized their eligible uses of 911 funds; that their equipment is up to date and their phone bills are being paid. They would simply like to use funds from the remaining balance to pay for this one-time exception. Mr. Jones observed that it seems they don't need all the funding they are receiving, and Mr. Lucas replied that at this point that's true, but looking forward, as they do look at future upgrades, they may well need all of it.

Chairman Willis observed that this discussion appears to be centering on the current inadequacies of our fund distribution model, which is not the question at hand. He then called the motion, which carried with Jerry Jones abstaining.

Jason Barbour then said he was concerned about the fairness of the decision for the other 99 counties, and Chairman Willis observed we are not done yet. Slayton Stewart offered to make a motion to change the effective date of the decision from July 30, 2008 to July 30, 2009, but Chairman Willis asked his forbearance for a few minutes. Chairman Willis then said he does believe that where cities and counties have already budgeted these funds, we have introduced this change at an inconvenient time. He added that he was not sure, however, that we should have open season on these funds for people who have not been using them for this purpose, who don't have a budget problem, and have not yet begun that practice. So he asked Mr. Stewart if he would consider revising his proposed motion to state that we delay implementation of the decision for those who have been using 911 funds for this purpose, not to exceed the expenditures made last year.

Richard Taylor reminded everyone that one of the ramifications of postponing the implementation date will be contending with the myriad claimed "functions" associated with street signs, which was a consideration that was central to the Use of Fund Committee's recommendation and the Board's implementation of this decision in the first place, and which the Board determined does not meet the intent of the legislation. Chairman Willis agreed, adding that he believes we have almost no possibility of actually deciphering that. He observed that we have clearly said that paying for street signs is an ineligible use of these funds. He further observed that we have today approved an exception for Anson County, and are "cooking" a potential motion to approve it for those who have used it in the past. He encouraged Board members to seriously contemplate what is being proposed.

Laura Sykora offered that since there were no restrictions based upon prior usage applied to the allowed use of funds for signage in effect prior to the May decision to deny that use, we should simply revert to that prior allowed use through July 1, 2009 rather than placing such restrictions upon use. Joe Durham responded that we have established as Board policy that funds cannot be used to pay for signage. That was after considerable discussion, and we did it because that expenditure is so obviously inconsistent with the statute. He said what we saw today was a clearly demonstrated hardship position being created as a result of that decision, and the alternative to opening the door to such inconsistent use is to look at such claims on a case by case basis. He said that may give us an opportunity over the next thirty days to better assess how many PSAPs will come forth with such requests. He concluded that he is concerned about revising policy today. Chairman Willis replied that is a point well taken.

Slayton Stewart asked Richard Taylor how he would feel about fielding calls from PSAPs about this between now and the next meeting, tabling this discussion until he could provide a report regarding claimed hardships in the budgeting process for the Board's consideration at that meeting. Chairman Willis said that as far as he's concerned we've made an exception, we've established a precedent and the bounds of that exception for one year on the basis of budgeting timing, and if a county wishes to follow that direction and say "we have a budgeting problem for one year because of the timing of this decision", they can make that request known with documentation, as Anson County has clearly documented their problem to Richard Taylor. He said we could have a list of such claims approved at once on staff recommendation if we wish to, or we could choose to take each one at a time. Stating that there are a number of ways to handle this, Chairman Willis said he is now in Mr. Durham's camp, and doesn't believe we should change anything today. He said he thinks we've responded to the issue in front of us, and for those counties that think they have such an issue, they can make that issue known to staff through a request similar to Anson County's and we can aggregate the requests and have the Board make a decision on them later. He asked if Board members would accept that approach, and Wesley Reid asked if there was a motion on the table. Chairman Willis replied, and other Board members concurred, there was no motion on the table. Christi Derreberry thanked Mr. Lucas for providing the documentation and asking permission to bring it to the Board's attention.

Chairman Willis observed it was 12:15 and asked if people wanted to break for lunch or press on through the remaining agenda items. Consensus was to press on, which he said was his preference as well.

Update on the Comprehensive Statewide 911 Plan

Chairman Willis recognized Glen Roach, Director of Consulting and Systems Integration from Intrado, who provided some background regarding the "Next Generation 911 Assessment" Intrado is performing for the Board. He mentioned that Intrado had been aware of the approximately 130 Primary PSAPs receiving funding from the Wireless 911 Board when the project launched, but has discovered the true number is in excess of 230, including both primaries and secondaries. He reviewed creation of a survey instrument with 400+ questions with the input of the Wireless 911 Board staff. He indicated Intrado has been engaged in onsite surveys of at least the Primary PSAPs since late January, and that today David Gold would present an update on the progress of the survey.

Mr. Gold said that while his team has been conducting the survey, other tracks of work have been taking place in parallel. He said they have been looking at the carriers, the 911 service providers, GIS resources in the State, business requirements, next generation planning, and future funding. He added that today's presentation would just address the PSAP survey specifically, but noted that the parallel tracks of work are in some ways dependent upon information collected through the PSAP survey as well.

Mr. Gold spent a few minutes addressing the different types of PSAPs citizens might access when they call 911, from Primary PSAPs eligible to receive 911 funds to secondary PSAPs which do not receive the initial 911 telephone call but to whom such calls may be transferred to provide a response. He added that there are also military

base PSAPs and college campus PSAPs that may have unique characteristics not present in other PSAPs (e.g. having to dial a digit to route calls off campus). Others, like the Coast Guard, do not receive 911 calls, but are dependent upon the information provided by a PSAP regarding the location of a caller on the water, so the question is what is the relationship between that PSAP and the Coast Guard in that situation? Mr. Gold said they have determined that the "total universe" of agencies in the State to which a citizen may either connect directly or be transferred is 232.

Mr. Gold reported that to date they have conducted site visits at 142 of these PSAPs, including all of the primaries and some secondaries. He indicated Intrado has *contacted* every one of the 232 PSAPs, and has mailed them a letter on Board letterhead bearing Richard Taylor's signature advising the nature of the survey, requesting their cooperation, and introducing Intrado as the Board's agent in conducting the survey. Intrado has also sent them a copy of the Board's statement of work as outlined in the contract, and a copy of the survey in advance of other contacts so that they may be exposed to it, and have an opportunity to review it before further contact.

Returning to the status of the project, Mr. Gold said that according to the original plan, Intrado is due to deliver its report 25 days from today. He observed that because the survey process has taken longer than originally planned, something needs to give or potentially change in order for Intrado to still meet that due date. He said that he is here today to present some alternatives as to how they might address the fact that conducting these surveys has taken longer than originally planned and what some of the trade-offs or alternatives are to meeting this deadline, and to get Board feedback on what its priority is, i.e. is it more important that every single PSAP has answered every single question or is it more important to hit a certain due date in 25 days with the information that will be available on that date, and maybe some intermediate trade-offs in between.

Making the distinction between secondary PSAPs with ANI/ALI receipt capability and those without it, Mr. Gold observed that those without ANI/ALI equipment on site will not receive site visits, as there is no justification for it. That said, however, those PSAPs will be interviewed over the phone. He said the aggregate number of both types of secondaries remaining to be surveyed is currently roughly 62. He added that three are in the process of relocation, so it would be irrelevant to collect their information regarding their former systems when that information will completely change after the relocation is completed. He noted that although a lot can be accomplished in 25 days, this is clearly pushing the envelope regarding acquiring the information, analyzing it, and making recommendations.

Before continuing, Mr. Gold said he wanted everyone to clearly understand that regardless of what is decided today, whatever the feedback or recommendations are, Intrado is committed to conducting this project for the fees that were originally quoted, and for the expense budget that was originally allotted to perform the site visits; they are not asking for any additional money. He said the only issue today is the amount of time available to get to all these PSAPs, include their data in the study, do the analysis, and so forth.

Mr. Gold reported that about 70% of the PSAPs surveyed were able to answer every single question. He said that depending upon who the contact at the PSAP was, their level of expertise, and what sources of information they have access to, Intrado has found it necessary to repeatedly attempt to contact many of the remaining PSAPs even to get answers to approximately 22 statement of work questions specifically requested by the Board in the RFP, let alone the entire 400+ questions. He noted that there is a pattern: there are a number of questions that nearly every PSAP has answered, and a number that nearly none of them have. He reiterated that Intrado is committed to tracking down each and every one of these answers, but the fact that they have contacted these PSAPs multiple times by phone and email, have visited them in person, and have been assured by PSAP personnel that the information will be forthcoming, highlights the impasse they now face. He added that there have been a couple of Primary PSAPs that have clearly not been responsive at all. In both situations, he said Intrado's question is what more can be done to elicit cooperation? Mr. Gold emphasized, however, that these are the exceptions; the "good news story" is that the vast majority of the PSAPs have cooperated in answering the vast majority of the questions, regardless of how many contacts were necessary.

Mr. Gold said the question now is what the priority of the Board is; what constitutes having enough information to put together a comprehensive 911 plan, and what do we do about some of the stragglers? He speculated that one of the recommendations might be that everybody submits this information as requested on a certain period basis; if not in time for this report, within a reasonable time frame. Another alternative would be to plow ahead and say that the cut-off date for submitting data is next week, and Intrado will create a report targeting the original due date using the data that has been collected, analyzed, and processed as of that final submission date. At the other end of the spectrum of possibilities would be that Intrado, at no further expense or fees, be extended additional time to capture all of the information, do the analysis, and provide the report to the Board at a later date, dependent upon the cooperation of the PSAPs. Mr. Gold noted that this is a period when people take vacations, when there are busy times, particularly regarding secondaries, so it is a matter of them being able to fit in an interview with an on-site Intrado representative. He said that somewhere between the extremes would be a scenario where a communication from the Board to the PSAPs would reiterate the importance of the information and the PSAPs' cooperation with the effort, and communicate the need to have the data by a date certain. Intrado would then turn that around as quickly as possible to produce a full report.

Board discussion ensued regarding the relevance of the missing data, the statistical significance of the missing data, and what leverage the Board has to elicit cooperation from the PSAPs. Alluding to his personal difficulty in answering many of the survey questions, Wesley Reid asked if some of this might not be due to some of the PSAPs simply not knowing the answers. Saying that he appreciated and understood Mr. Reid's point, Mr. Gold observed that at this point the questions have been distilled down to the 22 directly taken from the statement of work, and speculated that the difficulty in answering those specific questions should be minimal.

Noting that we had a due date of July 13 for this report, Chairman Willis observed that clearly the more information we can gather around these more focused questions the better the quality of the report will be. He offered that he doesn't believe postponing the

due date of the report by a couple of weeks substantively changes anything. He noted that the next Board meeting is August 8, and speculated that if Intrado can deliver a draft report by the end of July, then it can be distributed to everyone in time to look at it before that meeting, and if we have questions, we can raise them at that time. He added, however, that we need some help with gathering this additional data. He asked representatives of the PSAPs seated around the table to emphasize to their constituency, the PSAP community, that this is important data to gather.

Asking Board members to sing out if they disagree, Chairman Willis asked Intrado to send out another communication emphasizing the importance of this information, and the need to have it by a specific date. He said he would like Intrado to share that communication with the people on this Board, and he would like the Board members representing PSAPs to get the message out to them encouraging cooperation with this effort. When he asked if any Board members disagreed with this approach, the consensus was that they agreed; those that spoke up endorsed it.

Update on PSAP Revenue/Expenditure Reports

In the interest of time Chairman Willis asked Ron Adams to send the revenue/expenditure report updates to all Board members.

Adjourn

Chairman Willis entertained a motion to adjourn, Laura Sykora so moved, Christi Derreberry seconded, and the motion carried unanimously. The meeting adjourned at 12:56 PM.